

Cordale Housing Association Ltd

28 March 2013

This Regulation Plan sets out the engagement we will have with Cordale Housing Association Ltd (Cordale) during the financial year 2013/14. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

Cordale was registered as a social landlord in 1992. It has charitable status and employs nine full time equivalent staff. It owns 534 homes in West Dunbartonshire, providing a mix of extra care, wheelchair and general needs housing. It factors a further 22 properties.

Cordale's turnover for the year ended 31 March 2012 was just over £2 million. Cordale has one subsidiary Cordale Property Services Ltd which owns a small portfolio of residential properties and a pharmacy.

We continue to engage with Cordale about serious staffing and governance issues. Our regulatory expectation is that the governing body continues to act on the findings of the independent investigation report in accordance with its constitution to ensure it can meet regulatory standards of governance. As a result of these events Cordale considered its options for the future and decided to seek a constitutional partner with another registered landlord. Following a selection process Cordale has chosen a preferred partner. The governing body at Cordale continues to receive support from three independent members as we asked them to and continues to receive strategic and operational support from the consultant they appointed to help with staffing and governance issues.

Our engagement with Cordale - High

In the light of Cordale's serious staffing and governance issues we will have high engagement with it in 2013/14.

1. Cordale will provide us with:
 - quarterly updates on progress to address its governance and staffing issues and will notify us immediately if any new issues emerge;
 - an outline timetable for entering into the constitutional partnership;
 - a detailed timeline for the implementation of the partnership; and
 - a detailed business case and application for our consent to the constitutional partnership. This should include 30 year financial projections, quarterly management accounts and monthly updated cashflows for a rolling 12 month period starting in April.
2. We will:
 - feedback on any regulatory issues or concerns raised; and
 - meet the consultant, the governing body and the preferred partner as required to gain assurance about the future direction of the organisation.

3. Cordale should alert us to notifiable events and seek our consent as appropriate. It should provide us with the annual regulatory returns we review for all RSLs:
 - audited annual accounts and external auditor's management letter;
 - loan portfolio return;
 - five year financial projections; and
 - annual performance and statistical return.

This plan will be kept under review and may be changed to reflect particular or new events. The engagement strategy set out in this plan does not restrict us from using any other form of regulatory engagement to seek additional assurance should the need arise. Our regulatory framework and other relevant statistical and performance information can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for governance and performance for Cordale is:

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Our lead officer for finance and risk for Cordale is:

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We have decided what type of engagement we need to have with this organisation based on information it provided to us. We rely on the information given to us to be accurate and complete, but we do not accept liability if it is not. And we do not accept liability for actions arising from a third party's use of the information or views contained in the Regulation Plan.